



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt resolution authorizing City Manager to execute support services contract assignment from Peoplesoft to Oracle Corporation

MEETING DATE: April 20, 2005

PREPARED BY: Information Systems Manager

RECOMMENDED ACTION: That the City Council authorize the City Manager to execute an agreement that assigns an existing support services contract with PeopleSoft (formerly J.D. Edwards) to Oracle Corp.

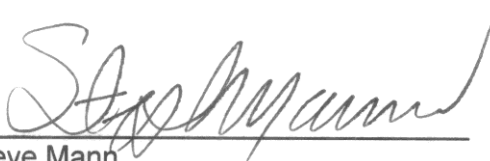
BACKGROUND INFORMATION: The City of Lodi utilizes J.D. Edwards software for keeping its financial books, among other uses.

The City routinely contracts with the software manufacturer for maintenance and **support** services, at a current annual cost of \$27,630.75. The contract provides for immediate company response to software problems along with periodic patches and upgrades.

On March 1, 2005 Peoplesoft was acquired by Oracle Corporation, effectively transferring all operations, management and employees to Oracle. As a result of the sale, Oracle Corporation is now responsible for fulfilling the terms and obligations of the service agreement, which is renewed and paid for annually in October.

The City of Lodi received a letter from Oracle Corporation on March 24, 2005 advising the City of the sale and requesting that the City sign an acknowledgement of the contract transfer. Staff recommends authorizing the City Manager to sign the acknowledgement. The City Attorney has reviewed the request and concurs with staff. Inasmuch as the City has already paid for the contract for this fiscal year, there will be no additional monies due as a result of this action.

FISCAL IMPACT: No fiscal impact as contract is an assignment from Peoplesoft to Oracle Corp.


Steve Mann
I.S.D. Manager

Attachments

APPROVED: 
Blair King, City Manager

ORACLE

Oracle USA, Inc. 500 Oracle Parkway phone 650.506.7000
Redwood Shores fax 650.506.7200
California 94065 oracle.com

March 22, 2005

Contract Administration Office
City Of Lodi
P.O. Box 3006
Lodi, CA 95311-1910

Dear Contract Administration Office:

As part of a corporate restructuring associated with the recent acquisition by Oracle Corporation of PeopleSoft, Inc., Oracle Corporation intends to transfer substantially all of its U.S. based operations, including its management and employees, to Oracle Corporation's wholly-owned subsidiary Oracle USA, Inc., a Colorado corporation.

This restructuring, which will become effective on March 1, 2005, will include the transfer to Oracle USA, Inc. of Oracle Corporation's contracts with its U.S. commercial and Government customers, as well as leases, licenses and other contracts associated primarily with Oracle Corporation's U.S. business operations.

Accordingly, on March 1, 2005, Oracle USA, Inc. will become responsible for the performance of all of the obligations under these contracts. This assignment will not relieve Oracle Corporation of its obligations under these contracts.

Correspondence and invoices relating to these contracts will reflect the name of Oracle USA, Inc. Likewise, any correspondence and payments from you also should be addressed to Oracle USA, Inc. We expect that Oracle's addresses and your contacts will remain unchanged.

Please acknowledge your receipt of this notice and your consent, to the extent required, to the transfer described above by signing below and returning this letter to us in the self-addressed, stamped envelope. You may submit any questions regarding our corporate restructuring to Cynthia Falconer at info-notice_us@oracle.com.

We at Oracle value our relationship with you and look forward to continuing to provide you with unparalleled software products, support and services.

Acknowledgment

Effective Date: March 1, 2005

By signing below, I represent that I am authorized to consent to the assignment by Oracle Corporation to Oracle USA, Inc. of each contract that exists between the undersigned agency or company and Oracle Corporation as of the Effective Date.

Authorized Signature:

AGENCY OR COMPANY NAME: _____

Name: _____

Title: _____

Date: _____

RESOLUTION NO. 2005-75

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE CITY MANAGER TO EXECUTE
SUPPORT SERVICES CONTRACT ASSIGNMENT
FROM PEOPLESOFT TO ORACLE CORPORATION

WHEREAS, the City utilizes J.D. Edwards software for keeping its financial books, among other uses; and

WHEREAS, the City routinely contracts with the software manufacturer for maintenance and support services, at a current annual cost of \$27,630.75. The contract provides for immediate company response to software problems, along with periodic patches and upgrades; and

WHEREAS, on March 1, 2005, Peoplesoft was acquired by Oracle Corporation, effectively transferring all operations, management, and employees to Oracle. As a result of the sale, Oracle Corporation is now responsible for fulfilling the terms and obligations of the service agreement, which is renewed and paid for annually in October; and

WHEREAS, the City of Lodi received a letter from Oracle Corporation on March 24, 2005, advising it of the sale and requesting that the City sign an acknowledgement of the contract transfer; and

WHEREAS, staff recommends authorizing the City Manager to sign the acknowledgement, thereby, executing the support services contract assignment. Inasmuch as the City has already paid for the contract for this fiscal year, there will be no additional monies due as a result of this action.

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that the City Manager is hereby authorized to execute the support services contract assignment from PeopleSoft to Oracle Corporation.

Dated: April 20, 2005

I hereby certify that Resolution No. 2005-75 was passed and adopted by the City Council of the City of Lodi in a regular meeting held April 20, 2005, **by** the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Johnson, Mounce, and Mayor Beckman

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None



SUSAN J. BLACKSTON
City Clerk